

BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION OF THE STATE OF CALIFORNIA 1516 NINTH STREET, SACRAMENTO, CA 95814 1-800-822-6228 – WWW.ENERGY.CA.GOV

APPLICATION FOR CERTIFICATION FOR THE AVENAL ENERGY PROJECT

DOCKET No. 08-AFC-1
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REVISED COMMITTEE SCHEDULING ORDER

1. Background

On February 27, 2009, Staff filed its Status Report 4, which estimated publication of the Final Staff Assessment (FSA) on April 8, 2009. Applicant filed its own Status Report 4 on March 6, 2009, seeking an FSA date of April 6, 2009.

On March 5, 2009, the Commission's Siting Committee issued its *Committee Guidance* on *Fulfilling California Environmental Quality Act Responsibilities for Greenhouse Gas Impacts in Power Plant Siting Applications* ("GHG Guidance")¹. That document states in part "...we recommend that the Energy Commission analyze each project according to basic CEQA precepts for determining (1) whether the project has a significant adverse cumulative effect, (2) if so, whether feasible mitigation can be required for the project, and (3) if not, whether the project has overriding benefits that justify licensing the project."

Thereafter, Intervenor California Unions for Reliable Energy (CURE) filed its Status Report 4, stating in part that Staff should revise its Preliminary Staff Analysis (PSA) to apply the recommendations of the Siting Committee contained in the GHG Guidance report. On March 11, 2009, the Center on Race, Poverty & the Environment filed a comment letter containing numerous observations critical of the Avenal Project and stated that the Energy Commission staff had failed to adequately analyze and mitigate Greenhouse Gas (GHG) Emissions from the project.

Energy Commission staff filed revised comments with a new schedule on March 19, 2009, referencing the Siting Committee's GHG Guidance report and stating that in

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¹ Publication, Number, CEC-700-2009-004.

response to the report, Staff planned to do additional work on its GHG analysis for the Avenal Energy FSA. In order to perform the analysis Staff noted its reliance on an anticipated technical report addressing potential GHG effects of power plants (MRW Report). Staff counsel stated that the FSA must await the MRW Report. (3/23/09 RT 8.) Staff counsel also pointed out that its greenhouse gas analysis will be "...intricately tied to the air quality analysis." (3/23/09 RT 30:1-2.) As a result, Staff opposed separating the discussions of air quality and GHG. The revised Staff schedule committed to issuing the FSA no later than June 1, 2009.

Applicant disagreed with Staff's recommendation and requested a more truncated schedule.

2. Discussion

The Commission's OII and the Siting Committee's GHG Guidance report clarified this Committee's obligation to address power plant-related GHG issues under the California Environmental Quality Act (CEQA). As noted above, the report recommended GHG impacts be addressed in each individual siting case until AB 32 regulations take effect in 2012. The Avenal Energy Project is one of the first individual siting cases to implement the new, more detailed GHG analysis. While we wish to expedite the processing of this case, the Governor's Executive Orders S-03-5, S-14-08, as well as AB 32, require significant statewide cuts in GHG. Thus, to implement state law as well as the recommendations of the Commission's Siting Committee, we have modified the schedule in this case. The changes will allow Staff to incorporate the MRW Report into its FSA and give a more complete CEQA analysis and discussion of potential mitigation.

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REVISED SCHEDULE

Avenal Energy Project April 24, 2009

DATE	EVENT
June 1, 2009	Staff Files Final Staff Assessment
June 8, 2009	All other parties file testimony
June 15, 2009	All parties file rebuttal testimony
June 22, 2009	All parties file Prehearing Conference Statements
June 30, 2009	Prehearing Conference*
July 7, 2009	Evidentiary Hearing*
Pending	Presiding Member's Proposed Decision (PMPD)
Pending	Committee Conference on PMPD
Pending	Energy Commission HearingFinal Decision

*DETAILED INSTRUCTIONS FOR THESE EVENTS WILL BE SENT TO ALL PARTIES IN A SEPARATE PUBLIC NOTICE OF THE EVENTS.

Dated April 24, 2009, at Sacramento, California.

Original Signed By:

JEFFREY D. BYRON Commissioner and Presiding Member Avenal AFC Committee

Original Signed By:

ARTHUR H. ROSENFELD Commissioner and Associate Member Avenal AFC Committee